

**GOVERNMENT OF INDIA  
PETROLEUM AND NATURAL GAS  
LOK SABHA**

UNSTARRED QUESTION NO:3526  
ANSWERED ON:14.12.2012  
PRICE OF CRUDE OIL AND GAS  
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**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

- (a) the quantum of crude oil and natural gas produced by the Oil and Natural Gas Corporation (ONGC) and Oil India Limited (OIL) during April 2012 upto October 2012, Company-wise;
- (b) whether the indigenously produced crude oil and natural gas is sold by these companies to the consumers at the international rates prevailing in the market;
- (c) if so, the details thereof and the rates at which ONGC and OIL sold crude oil and natural gas during the said period, month-wise and product-wise;
- (d) whether the aforesaid companies give discounts to the buyers of the said products; and
- (e) if so, the per barrel rate of discount given during the aforesaid period?

**Answer**

Minister of State in the Ministry of PETROLEUM & NATURAL GAS (SMT. PANABAACA LAKSHMI)

(a) The quantum of crude oil and natural gas produced by the Oil and Natural Gas Corporation (ONGC) and Oil India Limited (OIL) from April 2012 to October 2012, are as under:-

Crude oil Production (MMT)	Natural Gas Production (BCM)
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ONGC	15.261 (includes share of production of 2.120 MMT from Joint Venture Fields)	14.895 (includes share of production of 1.104 BCM from Joint Venture Fields)
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OIL	2.203	1.542
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Provisional figures.

MMT = Million Metric Tonne

BCM = Billion Cubic Metre

(b) & (c) No, Sir. The indigenously produced crude oil and most of natural gas is not sold by ONGC and OIL to end consumers but these are sold to public sector refineries viz Indian Oil Corporation Ltd. (IOCL), Bharat Petroleum Corporation Ltd. (BPCL), Hindustan Petroleum Corporation Ltd. (HPCL) and Mangalore Refineries and Petrochemicals Ltd. (MRPL). Price of crude oil supplied by ONGC and OIL is linked with international crude prices.

Ministry of Petroleum & Natural Gas, vide letter dated 31st May, 2012 revised the producer price of Administered Price Mechanism (APM) gas produced by National Oil Companies (NOCs) at US\$4.2 per Million British Thermal Unit less royalty effective from 1st June, 2010.

(d) & (e) As per Under-recovery burden sharing mechanism, ONGC and OIL provides discount on Crude oil to the Oil Marketing Companies (OMCs) namely IOCL, BPCL and HPCL. During the period April – September, 2012, ONGC and OIL have provided provisional discount of \$56/barrel to the OMCs. No discount is provided on sale of natural gas.